

**Maryland Health Care Commission**  
**Limited Benefit Plan (LBP)**  
**(Available beginning July 1, 2005**  
**to small employers with 2 to 50 employees)**

♦ **Requirements:**

- LBP must contain a uniform set of benefits
- Carriers with at least 10% of the lives insured in the small group market must offer the LBP

- *LBP is available to small employers that:*

- *have not provided coverage in the prior 12 months*
- *have an average wage that does not exceed 75% (approximately \$32,000) of the Maryland average annual wage (MAAW)*

- *Small employers that offer the LBP:*

- *must offer coverage to all eligible employees and dependents*
- *may renew even if average wage exceeds 75% MAAW*
- *may not offer any other plans*
- *may purchase a rider to lower the LBP cost-sharing*
- *are not required to contribute to the premium payments*

♦ **Carriers that offer the LBP:**

- may not offer a small employer a benefit in addition to the LBP, except for a rider to lower the cost-sharing arrangements in the LBP
- are subject to the provisions of:
  - guaranteed issuance
  - guaranteed renewal
  - adjusted community rating
  - prohibition on preexisting condition limitations
- may be prohibited by the Insurance Commissioner from offering an additional benefit designed to promote risk selection

♦ **MHCC must ensure the actuarial value of the LBP does not exceed 70% of the actuarial value of the CSHBP as of January 1, 2004**